Disposal of Rice Mills by FCI

842. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that the management of the Food Corporation of India had recently decided to dispose of 25 Modern Rice Mills owned by it and if so what are the reasons therefor; and

(b) whether it is also a fact that the management had discontinued for quite some time reporting on the performances of the said Rice Mills in its Annual Reports and if so, since when and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI GHULAM NABI AZAD): (a) The Food Corporation of India has decided at present to dispose of fourteen out of the twenty five rice mills owned by it on account of economic non-viability.

(b) The financial results of the operation of Modern Rice Mills are not being shown in the Annual Report of FCI separately from the year 1983-84 because till these mills are disposed of they are to be treated as part of the Central operations. The financial results are, however, reported to the Government by FCI.

Interim observations of the National Commission on Urbanisation

843. SHRI CHIMANBHAI MEHTA: Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether it is a fact that high-powered national commission on urbanisation has been extremely critical of the administration of Urban Land (Ceiling and Regulation) Act; if so, what are the interim observations of the Commission and Government's reaction thereto;

(b) what is the surplus land as declared under the said Act;

(c) whether cess on surplus land has been suggested by the Commission, if so, what is the expected income from the cess; and

(d) whether Commission has made any recommendation regarding Rent Control Act, if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI DALBIR SINGH): (a) The National Commission on Urbanisation, in its Interim Report has drawn the attention to certain shortcomings in the Urban Land (Ceiling & Regulation) Act and made certain recommendations as in the statement enclosed. (*See* below). Copies of the report has been circulated to State Government, Union Territory Administrations and Central Ministries/Departments for their comments and views.

(b) 1,68,182.70 Hectares.

(c) Yes, Sir. The levy of cess, even on a modest rate of Rs. 5.00 per sq. mtr. on the vacant land should possibily net approximately Rs. 600 crores per annum.

(d) Yes, Sir. The Commission has recommended that the Rent Acts be rationalised by (i) protection of existing tenancies, (ii) institutionalisation of a system of rental increases as per a prescribed formula, (iii) Delinking of non-residential tenancines from the purely residential so that commercial activity begins to pay the market rent, (iv) The offering of incentives for new construction (v) Improving the tax-base of local bodies.

Statement

Recommendations made by the National Commission on Urbanisation on Urban Land (Ceiling & Regulation) Act 1976 in its interim report

(1) The Act must remain on the Statute Book, all excess lands must be identified and notified as surplus and made liable to acquisition.

(2) All surplus vacant land must be quickly released for city development, in particular housing, with special emphasis on housing for the middle and lower income groups and the economically weaker sections.